

State of Arizona
Senate
Forty-eighth Legislature
Second Regular Session
2008

SENATE BILL 1281

AN ACT

AMENDING TITLE 15, CHAPTER 4, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-447.01; AMENDING SECTIONS 15-901 AND 15-2002, ARIZONA REVISED STATUTES; RELATING TO SCHOOL FINANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 15, chapter 4, article 3, Arizona Revised Statutes,
3 is amended by adding section 15-447.01, to read:

4 15-447.01. Common school districts; offer of instruction in
5 grade nine

6 A. NOTWITHSTANDING ANY OTHER LAW, A COMMON SCHOOL DISTRICT THAT OFFERS
7 INSTRUCTION IN GRADE NINE PURSUANT TO SECTION 15-901, SUBSECTION A, PARAGRAPH
8 4, SUBDIVISION (b) MAY:

9 1. CONDUCT AN ELECTION TO EXCEED THE REVENUE CONTROL LIMIT AS PROVIDED
10 IN SECTIONS 15-481 AND 15-482 AND USE THE WEIGHTED STUDENT COUNT OF PUPILS IN
11 GRADE NINE AS PART OF THE CALCULATION FOR THE INCREASE IN THE REVENUE CONTROL
12 LIMIT.

13 2. USE THE WEIGHTED STUDENT COUNT OF PUPILS IN GRADE NINE TO DETERMINE
14 EQUALIZATION ASSISTANCE FOR CAREER LADDER AND OPTIONAL PERFORMANCE INCENTIVE
15 PROGRAMS PURSUANT TO SECTIONS 15-918.05 AND 15-919.05, AS APPLICABLE, IF THE
16 COMMON SCHOOL DISTRICT CURRENTLY PARTICIPATES IN THE CAREER LADDER PROGRAM OR
17 THE OPTIONAL PERFORMANCE INCENTIVE PROGRAM, OR BOTH.

18 3. USE THE COUNT OF PUPILS IN GRADE NINE TO DETERMINE EQUALIZATION
19 ASSISTANCE PURSUANT TO SECTION 15-971.

20 B. NOTWITHSTANDING ANY OTHER LAW, A COMMON SCHOOL DISTRICT THAT OFFERS
21 INSTRUCTION IN GRADE NINE PURSUANT TO SECTION 15-901, SUBSECTION A, PARAGRAPH
22 4, SUBDIVISION (b) SHALL NOT:

23 1. INCREASE THE REVENUE CONTROL LIMIT AND DISTRICT SUPPORT LEVEL FOR
24 THE SCHOOL DISTRICT FOR THE CURRENT YEAR DUE TO GROWTH IN THE GRADE NINE
25 PUPIL POPULATION PURSUANT TO SECTION 15-948.

26 2. ADJUST THE PUPIL COUNT PURSUANT TO SECTION 15-942 DUE TO A DECLINE
27 IN GRADE NINE PUPIL ENROLLMENT.

28 C. NOTWITHSTANDING ANY OTHER LAW, IF A UNION HIGH SCHOOL DISTRICT OR
29 UNIFIED SCHOOL DISTRICT REALIZES A DECREASE IN THE STUDENT POPULATION IN
30 GRADE NINE DUE TO PUPILS TRANSFERRING TO A COMMON SCHOOL DISTRICT THAT OFFERS
31 INSTRUCTION IN GRADE NINE PURSUANT TO SECTION 15-901, SUBSECTION A, PARAGRAPH
32 4, SUBDIVISION (b), THE DISTRICT SHALL NOT ADJUST THE PUPIL COUNT PURSUANT TO
33 SECTION 15-942.

34 D. NOTWITHSTANDING ANY OTHER LAW, A UNION HIGH SCHOOL DISTRICT IS NOT
35 ELIGIBLE TO DETERMINE ITS BUDGET USING SECTION 15-949 IF IT DID NOT DETERMINE
36 ITS BUDGET PURSUANT TO SECTION 15-949 FOR THE SCHOOL YEAR IN WHICH THE SCHOOL
37 DISTRICT REALIZED A DECREASE N THE STUDENT POPULATION IN GRADE NINE DUE TO
38 PUPILS TRANSFERRING TO A COMMON SCHOOL DISTRICT THAT OFFERS INSTRUCTION IN
39 GRADE NINE PURSUANT TO SECTION 15-901, SUBSECTION A, PARAGRAPH 4, SUBDIVISION
40 (b).

1 Sec. 2. Section 15-901, Arizona Revised Statutes, is amended to read:

2 15-901. Definitions

3 A. In this title, unless the context otherwise requires:

4 1. "Average daily attendance" or "ADA" means actual average daily
5 attendance through the first one hundred days or two hundred days in session,
6 as applicable.

7 2. "Average daily membership" means the total enrollment of fractional
8 students and full-time students, minus withdrawals, of each school day
9 through the first one hundred days or two hundred days in session, as
10 applicable, for the current year. Withdrawals include students formally
11 withdrawn from schools and students absent for ten consecutive school days,
12 except for excused absences as identified by the department of education.
13 For computation purposes, the effective date of withdrawal shall be
14 retroactive to the last day of actual attendance of the student.

15 (a) "Fractional student" means:

16 (i) For common schools, until fiscal year 2001-2002, a preschool child
17 who is enrolled in a program for preschool children with disabilities of at
18 least three hundred sixty minutes each week or a kindergarten student at
19 least five years of age prior to January 1 of the school year and enrolled in
20 a school kindergarten program that meets at least three hundred forty-six
21 instructional hours during the minimum number of days required in a school
22 year as provided in section 15-341. In fiscal year 2001-2002, the
23 kindergarten program shall meet at least three hundred forty-eight hours. In
24 fiscal year 2002-2003, the kindergarten program shall meet at least three
25 hundred fifty hours. In fiscal year 2003-2004, the kindergarten program
26 shall meet at least three hundred fifty-two hours. In fiscal year 2004-2005,
27 the kindergarten program shall meet at least three hundred fifty-four hours.
28 In fiscal year 2005-2006 and each fiscal year thereafter, the kindergarten
29 program shall meet at least three hundred fifty-six hours. Lunch periods and
30 recess periods may not be included as part of the instructional hours unless
31 the child's individualized education program requires instruction during
32 those periods and the specific reasons for such instruction are fully
33 documented. In computing the average daily membership, preschool children
34 with disabilities and kindergarten students shall be counted as one-half of a
35 full-time student. For common schools, a part-time student is a student
36 enrolled for less than the total time for a full-time student as defined in
37 this section. A part-time common school student shall be counted as
38 one-fourth, one-half or three-fourths of a full-time student if the student
39 is enrolled in an instructional program that is at least one-fourth, one-half
40 or three-fourths of the time a full-time student is enrolled as defined in
41 subdivision (b) of this paragraph.

42 (ii) For high schools, a part-time student who is enrolled in less
43 than four subjects that count toward graduation as defined by the state board
44 of education in a recognized high school and who is taught in less than
45 twenty instructional hours per week prorated for any week with fewer than

1 five school days. A part-time high school student shall be counted as
2 one-fourth, one-half or three-fourths of a full-time student if the student
3 is enrolled in an instructional program that is at least one-fourth, one-half
4 or three-fourths of a full-time instructional program as defined in
5 subdivision (c) of this paragraph.

6 (b) "Full-time student" means:

7 (i) For common schools, a student who is at least six years of age
8 prior to January 1 of a school year, who has not graduated from the highest
9 grade taught in the school district and who is regularly enrolled in a course
10 of study required by the state board of education. Until fiscal year
11 2001-2002, first, second and third grade students, ungraded students at least
12 six, but under nine, years of age by September 1 or ungraded group B children
13 with disabilities who are at least five, but under six, years of age by
14 September 1 must be enrolled in an instructional program that meets for a
15 total of at least six hundred ninety-two hours during the minimum number of
16 days required in a school year as provided in section 15-341. In fiscal year
17 2001-2002, the program shall meet at least six hundred ninety-six hours. In
18 fiscal year 2002-2003, the program shall meet at least seven hundred hours.
19 In fiscal year 2003-2004, the program shall meet at least seven hundred four
20 hours. In fiscal year 2004-2005, the program shall meet at least seven
21 hundred eight hours. In fiscal year 2005-2006 and in each fiscal year
22 thereafter, the program shall meet at least seven hundred twelve hours.
23 Until fiscal year 2001-2002, fourth, fifth and sixth grade students or
24 ungraded students at least nine, but under twelve, years of age by September
25 1 must be enrolled in an instructional program that meets for a total of at
26 least eight hundred sixty-five hours during the minimum number of school days
27 required in a school year as provided in section 15-341. In fiscal year
28 2001-2002, the program shall meet at least eight hundred seventy hours. In
29 fiscal year 2002-2003, the program shall meet at least eight hundred
30 seventy-five hours. In fiscal year 2003-2004, the program shall meet at least
31 eight hundred eighty hours. In fiscal year 2004-2005, the program shall meet
32 at least eight hundred eighty-five hours. In fiscal year 2005-2006 and each
33 fiscal year thereafter, the program shall meet at least eight hundred ninety
34 hours. Until fiscal year 2001-2002, seventh and eighth grade students or
35 ungraded students at least twelve, but under fourteen, years of age by
36 September 1 must be enrolled in an instructional program that meets for a
37 total of at least one thousand thirty-eight hours during the minimum number
38 of days required in a school year as provided in section 15-341. In fiscal
39 year 2001-2002, the program shall meet at least one thousand forty-four
40 hours. In fiscal year 2002-2003, the program shall meet at least one
41 thousand fifty hours. In fiscal year 2003-2004, the program shall meet at
42 least one thousand fifty-six hours. In fiscal year 2004-2005, the program
43 shall meet at least one thousand sixty-two hours. In fiscal year 2005-2006
44 and each fiscal year thereafter, the program shall meet at least one thousand
45 sixty-eight hours. Lunch periods and recess periods may not be included as

1 part of the instructional hours unless the student is a child with a
2 disability and the child's individualized education program requires
3 instruction during those periods and the specific reasons for such
4 instruction are fully documented.

5 (ii) For high schools, except as provided in section 15-105, a student
6 not graduated from the highest grade taught in the school district, or an
7 ungraded student at least fourteen years of age by September 1, and enrolled
8 in at least a full-time instructional program of subjects that count toward
9 graduation as defined by the state board of education in a recognized high
10 school. A full-time student shall not be counted more than once for
11 computation of average daily membership.

12 (iii) For homebound or hospitalized, a student receiving at least four
13 hours of instruction per week.

14 (c) "Full-time instructional program" means:

15 (i) Through fiscal year 2000-2001, at least four subjects, each of
16 which, if taught each school day for the minimum number of days required in a
17 school year, would meet a minimum of one hundred twenty hours a year, or the
18 equivalent, or one or more subjects taught in amounts of time totaling at
19 least twenty hours per week prorated for any week with fewer than five school
20 days.

21 (ii) For fiscal year 2001-2002, an instructional program that meets at
22 least a total of seven hundred four hours during the minimum number of days
23 required and includes at least four subjects each of which, if taught each
24 school day for the minimum number of days required in a school year, would
25 meet a minimum of one hundred twenty-two hours a year, or the equivalent, or
26 one or more subjects taught in amounts of time totaling at least twenty hours
27 per week prorated for any week with fewer than five school days.

28 (iii) For fiscal year 2002-2003, an instructional program that meets
29 at least a total of seven hundred eight hours during the minimum number of
30 days required and includes at least four subjects each of which, if taught
31 each school day for the minimum number of days required in a school year,
32 would meet a minimum of one hundred twenty-two hours a year, or the
33 equivalent, or one or more subjects taught in amounts of time totaling at
34 least twenty hours per week prorated for any week with fewer than five school
35 days.

36 (iv) For fiscal year 2003-2004, an instructional program that meets at
37 least a total of seven hundred twelve hours during the minimum number of days
38 required and includes at least four subjects each of which, if taught each
39 school day for the minimum number of days required in a school year, would
40 meet a minimum of one hundred twenty-three hours a year, or the equivalent,
41 or one or more subjects taught in amounts of time totaling at least twenty
42 hours per week prorated for any week with fewer than five school days.

43 (v) For fiscal year 2004-2005, an instructional program that meets at
44 least a total of seven hundred sixteen hours during the minimum number of
45 days required and includes at least four subjects each of which, if taught

1 each school day for the minimum number of days required in a school year,
2 would meet a minimum of one hundred twenty-three hours a year, or the
3 equivalent, or one or more subjects taught in amounts of time totaling at
4 least twenty hours per week prorated for any week with fewer than five school
5 days.

6 (vi) For fiscal year 2005-2006 and each fiscal year thereafter, an
7 instructional program that meets at least a total of seven hundred twenty
8 hours during the minimum number of days required and includes at least four
9 subjects each of which, if taught each school day for the minimum number of
10 days required in a school year, would meet a minimum of one hundred
11 twenty-three hours a year, or the equivalent, or one or more subjects taught
12 in amounts of time totaling at least twenty hours per week prorated for any
13 week with fewer than five school days.

14 3. "Budget year" means the fiscal year for which the school district
15 is budgeting and which immediately follows the current year.

16 4. "Common school district" means a political subdivision of this
17 state offering instruction to students in programs for preschool children
18 with disabilities and kindergarten programs and EITHER:

19 (a) Grades one through eight.

20 (b) GRADES ONE THROUGH NINE AFTER ALL OF THE FOLLOWING OCCUR IN THE
21 FOLLOWING ORDER:

22 (i) A COMMON SCHOOL DISTRICT GOVERNING BOARD AFFIRMATIVELY VOTES TO
23 OFFER INSTRUCTION TO PUPILS IN GRADE NINE.

24 (ii) INSTRUCTION TO PUPILS IN GRADE NINE IS OFFERED FOR TWO
25 CONSECUTIVE SCHOOL YEARS IN A SINGLE SCHOOL DESIGNATED BY THE COMMON SCHOOL
26 DISTRICT GOVERNING BOARD.

27 (iii) AFTER INSTRUCTION HAS BEEN OFFERED IN GRADE NINE FOR TWO
28 CONSECUTIVE SCHOOL YEARS IN THE DESIGNATED SCHOOL, INSTRUCTION TO PUPILS IN
29 GRADE NINE MAY BE OFFERED THROUGHOUT THE COMMON SCHOOL DISTRICT IF THE
30 DESIGNATED SCHOOL DEMONSTRATED IN THOSE TWO YEARS MEASURABLE ACADEMIC GAIN
31 FOR PUPILS IN GRADE NINE AND A REDUCTION IN THE DROPOUT RATE FOR PUPILS IN
32 GRADE NINE COMPARED TO PUPILS IN GRADE NINE IN A COTERMINOUS UNION HIGH
33 SCHOOL DISTRICT, AN ADJACENT UNION SCHOOL DISTRICT OR AN ADJACENT UNIFIED
34 SCHOOL DISTRICT.

35 5. "Current year" means the fiscal year in which a school district is
36 operating.

37 6. "Daily attendance" means:

38 (a) For common schools, days in which a pupil:

39 (i) Of a kindergarten program or ungraded, but not group B children
40 with disabilities, and at least five, but under six, years of age by
41 September 1 attends at least three-quarters of the instructional time
42 scheduled for the day. If the total instruction time scheduled for the year
43 is at least three hundred forty-six hours but is less than six hundred
44 ninety-two hours such attendance shall be counted as one-half day of
45 attendance. If the instructional time scheduled for the year is at least six

1 hundred ninety-two hours, "daily attendance" means days in which a pupil
2 attends at least one-half of the instructional time scheduled for the
3 day. Such attendance shall be counted as one-half day of attendance.

4 (ii) Of the first, second or third grades, ungraded and at least six,
5 but under nine, years of age by September 1 or ungraded group B children with
6 disabilities and at least five, but under six, years of age by September 1
7 attends more than three-quarters of the instructional time scheduled for the
8 day.

9 (iii) Of the fourth, fifth or sixth grades or ungraded and at least
10 nine, but under twelve, years of age by September 1 attends more than
11 three-quarters of the instructional time scheduled for the day, except as
12 provided in section 15-797.

13 (iv) Of the seventh or eighth grades or ungraded and at least twelve,
14 but under fourteen, years of age by September 1 attends more than
15 three-quarters of the instructional time scheduled for the day, except as
16 provided in section 15-797.

17 (b) For common schools, the attendance of a pupil at three-quarters or
18 less of the instructional time scheduled for the day shall be counted as
19 follows, except as provided in section 15-797 and except that attendance for
20 a fractional student shall not exceed the pupil's fractional membership:

21 (i) If attendance for all pupils in the school is based on quarter
22 days, the attendance of a pupil shall be counted as one-fourth of a day's
23 attendance for each one-fourth of full-time instructional time attended.

24 (ii) If attendance for all pupils in the school is based on half days,
25 the attendance of at least three-quarters of the instructional time scheduled
26 for the day shall be counted as a full day's attendance and attendance at a
27 minimum of one-half but less than three-quarters of the instructional time
28 scheduled for the day equals one-half day of attendance.

29 (c) For common schools, the attendance of a preschool child with
30 disabilities shall be counted as one-fourth day's attendance for each
31 thirty-six minutes of attendance not including lunch periods and recess
32 periods, except as provided in paragraph 2, subdivision (a), item (i) of this
33 subsection for children with disabilities up to a maximum of three hundred
34 sixty minutes each week.

35 (d) For high schools or ungraded schools in which the pupil is at
36 least fourteen years of age by September 1, the attendance of a pupil shall
37 not be counted as a full day unless the pupil is actually and physically in
38 attendance and enrolled in and carrying four subjects, each of which, if
39 taught each school day for the minimum number of days required in a school
40 year, would meet a minimum of one hundred twenty hours a year, or the
41 equivalent, that count toward graduation in a recognized high school except
42 as provided in section 15-797 and subdivision (e) of this paragraph.
43 Attendance of a pupil carrying less than the load prescribed shall be
44 prorated.

1 (e) For high schools or ungraded schools in which the pupil is at
2 least fourteen years of age by September 1, the attendance of a pupil may be
3 counted as one-fourth of a day's attendance for each sixty minutes of
4 instructional time in a subject that counts toward graduation, except that
5 attendance for a pupil shall not exceed the pupil's full or fractional
6 membership.

7 (f) For homebound or hospitalized, a full day of attendance may be
8 counted for each day during a week in which the student receives at least
9 four hours of instruction.

10 (g) For school districts which maintain school for an approved
11 year-round school year operation, attendance shall be based on a computation,
12 as prescribed by the superintendent of public instruction, of the one hundred
13 eighty days' equivalency or two hundred days' equivalency, as applicable, of
14 instructional time as approved by the superintendent of public instruction
15 during which each pupil is enrolled.

16 7. "Daily route mileage" means the sum of:

17 (a) The total number of miles driven daily by all buses of a school
18 district while transporting eligible students from their residence to the
19 school of attendance and from the school of attendance to their residence on
20 scheduled routes approved by the superintendent of public instruction.

21 (b) The total number of miles driven daily on routes approved by the
22 superintendent of public instruction for which a private party, a political
23 subdivision or a common or a contract carrier is reimbursed for bringing an
24 eligible student from the place of his residence to a school transportation
25 pickup point or to the school of attendance and from the school
26 transportation scheduled return point or from the school of attendance to his
27 residence. Daily route mileage includes the total number of miles necessary
28 to drive to transport eligible students from and to their residence as
29 provided in this paragraph.

30 8. "District support level" means the base support level plus the
31 transportation support level.

32 9. "Eligible students" means:

33 (a) Students who are transported by or for a school district and who
34 qualify as full-time students or fractional students, except students for
35 whom transportation is paid by another school district or a county school
36 superintendent, and:

37 (i) For common school students, whose place of actual residence within
38 the school district is more than one mile from the school facility of
39 attendance or students who are admitted pursuant to section 15-816.01 and who
40 meet the economic eligibility requirements established under the national
41 school lunch and child nutrition acts (42 United States Code sections 1751
42 through 1785) for free or reduced price lunches and whose actual place of
43 residence outside the school district boundaries is more than one mile from
44 the school facility of attendance.

1 (ii) For high school students, whose place of actual residence within
2 the school district is more than one and one-half miles from the school
3 facility of attendance or students who are admitted pursuant to section
4 15-816.01 and who meet the economic eligibility requirements established
5 under the national school lunch and child nutrition acts (42 United States
6 Code sections 1751 through 1785) for free or reduced price lunches and whose
7 actual place of residence outside the school district boundaries is more than
8 one and one-half miles from the school facility of attendance.

9 (b) Kindergarten students, for purposes of computing the number of
10 eligible students under subdivision (a), item (i) of this paragraph, shall be
11 counted as full-time students, notwithstanding any other provision of law.

12 (c) Children with disabilities, as defined by section 15-761, who are
13 transported by or for the school district or who are admitted pursuant to
14 chapter 8, article 1.1 of this title and who qualify as full-time students or
15 fractional students regardless of location or residence within the school
16 district or children with disabilities whose transportation is required by
17 the pupil's individualized education program.

18 (d) Students whose residence is outside the school district and who
19 are transported within the school district on the same basis as students who
20 reside in the school district.

21 10. "Enrolled" or "enrollment" means when a pupil is currently
22 registered in the school district.

23 11. "GDP price deflator" means the average of the four implicit price
24 deflators for the gross domestic product reported by the United States
25 department of commerce for the four quarters of the calendar year.

26 12. "High school district" means a political subdivision of this state
27 offering instruction to students for grades nine through twelve or that
28 portion of the budget of a common school district which is allocated to
29 teaching high school subjects with permission of the state board of
30 education.

31 13. "Revenue control limit" means the base revenue control limit plus
32 the transportation revenue control limit.

33 14. "Student count" means average daily membership as prescribed in
34 this subsection for the fiscal year prior to the current year, except that
35 for the purpose of budget preparation student count means average daily
36 membership as prescribed in this subsection for the current year.

37 15. "Submit electronically" means submitted in a format and in a manner
38 prescribed by the department of education.

39 16. "Total bus mileage" means the total number of miles driven by all
40 buses of a school district during the school year.

41 17. "Total students transported" means all eligible students
42 transported from their place of residence to a school transportation pickup
43 point or to the school of attendance and from the school of attendance or
44 from the school transportation scheduled return point to their place of
45 residence.

1 18. "Unified school district" means a political subdivision of the
2 state offering instruction to students in programs for preschool children
3 with disabilities and kindergarten programs and grades one through twelve.

4 B. In this title, unless the context otherwise requires:

5 1. "Base" means the revenue level per student count specified by the
6 legislature.

7 2. "Base level" means:

8 (a) For fiscal year 2006-2007, three thousand one hundred thirty-three
9 dollars fifty-three cents.

10 (b) For fiscal year 2007-2008, three thousand two hundred twenty-six
11 dollars eighty-eight cents.

12 3. "Base revenue control limit" means the base revenue control limit
13 computed as provided in section 15-944.

14 4. "Base support level" means the base support level as provided in
15 section 15-943.

16 5. "Certified teacher" means a person who is certified as a teacher
17 pursuant to the rules adopted by the state board of education, who renders
18 direct and personal services to school children in the form of instruction
19 related to the school district's educational course of study and who is paid
20 from the maintenance and operation section of the budget.

21 6. "ED, MIMR, SLD, SLI and OHI" means programs for children with
22 emotional disabilities, mild mental retardation, a specific learning
23 disability, a speech/language impairment and other health impairments.

24 7. "ED-P" means programs for children with emotional disabilities who
25 are enrolled in private special education programs as prescribed in section
26 15-765, subsection D, paragraph 1 or in an intensive school district program
27 as provided in section 15-765, subsection D, paragraph 2.

28 8. "ELL" means English learners who do not speak English or whose
29 native language is not English, who are not currently able to perform
30 ordinary classroom work in English and who are enrolled in an English
31 language education program pursuant to sections 15-751, 15-752 and 15-753.

32 9. "Full-time equivalent certified teacher" or "FTE certified teacher"
33 means for a certified teacher the following:

34 (a) If employed full time as defined in section 15-501, 1.00.

35 (b) If employed less than full time, multiply 1.00 by the percentage
36 of a full school day, or its equivalent, or a full class load, or its
37 equivalent, for which the teacher is employed as determined by the governing
38 board.

39 10. "Group A" means educational programs for career exploration, a
40 specific learning disability, an emotional disability, mild mental
41 retardation, remedial education, a speech/language impairment, homebound,
42 bilingual, preschool moderate delay, preschool speech/language delay, other
43 health impairments and gifted pupils.

44 11. "Group B" means educational improvements for pupils in kindergarten
45 programs and grades one through three, educational programs for autism, a

1 hearing impairment, moderate mental retardation, multiple disabilities,
2 multiple disabilities with severe sensory impairment, orthopedic impairments,
3 preschool severe delay, severe mental retardation and emotional disabilities
4 for school age pupils enrolled in private special education programs or in
5 school district programs for children with severe disabilities or visual
6 impairment and English learners enrolled in a program to promote English
7 language proficiency pursuant to section 15-752.

8 12. "HI" means programs for pupils with hearing impairment.

9 13. "Homebound" or "hospitalized" means a pupil who is capable of
10 profiting from academic instruction but is unable to attend school due to
11 illness, disease, accident or other health conditions, who has been examined
12 by a competent medical doctor and who is certified by that doctor as being
13 unable to attend regular classes for a period of not less than three school
14 months or a pupil who is capable of profiting from academic instruction but
15 is unable to attend school regularly due to chronic or acute health problems,
16 who has been examined by a competent medical doctor and who is certified by
17 that doctor as being unable to attend regular classes for intermittent
18 periods of time totaling three school months during a school year. The
19 medical certification shall state the general medical condition, such as
20 illness, disease or chronic health condition, that is the reason that the
21 pupil is unable to attend school. Homebound or hospitalized includes a
22 student who is unable to attend school for a period of less than three months
23 due to a pregnancy if a competent medical doctor, after an examination,
24 certifies that the student is unable to attend regular classes due to risk to
25 the pregnancy or to the student's health.

26 14. "K" means kindergarten programs.

27 15. "K-3" means kindergarten programs and grades one through three.

28 16. "MD-R, A-R and SMR-R" means resource programs for pupils with
29 multiple disabilities, autism and severe mental retardation.

30 17. "MD-SC, A-SC and SMR-SC" means self-contained programs for pupils
31 with multiple disabilities, autism and severe mental retardation.

32 18. "MDSSI" means a program for pupils with multiple disabilities with
33 severe sensory impairment.

34 19. "MOMR" means programs for pupils with moderate mental retardation.

35 20. "OI-R" means a resource program for pupils with orthopedic
36 impairments.

37 21. "OI-SC" means a self-contained program for pupils with orthopedic
38 impairments.

39 22. "PSD" means preschool programs for children with disabilities as
40 provided in section 15-771.

41 23. "P-SD" means programs for children who meet the definition of
42 preschool severe delay as provided in section 15-771.

43 24. "Qualifying tax rate" means the qualifying tax rate specified in
44 section 15-971 applied to the assessed valuation used for primary property
45 taxes.

1 25. "Small isolated school district" means a school district which
2 meets all of the following:

3 (a) Has a student count of fewer than six hundred in kindergarten
4 programs and grades one through eight or grades nine through twelve.

5 (b) Contains no school which is fewer than thirty miles by the most
6 reasonable route from another school, or, if road conditions and terrain make
7 the driving slow or hazardous, fifteen miles from another school which
8 teaches one or more of the same grades and is operated by another school
9 district in this state.

10 (c) Is designated as a small isolated school district by the
11 superintendent of public instruction.

12 26. "Small school district" means a school district which meets all of
13 the following:

14 (a) Has a student count of fewer than six hundred in kindergarten
15 programs and grades one through eight or grades nine through twelve.

16 (b) Contains at least one school which is fewer than thirty miles by
17 the most reasonable route from another school which teaches one or more of
18 the same grades and is operated by another school district in this state.

19 (c) Is designated as a small school district by the superintendent of
20 public instruction.

21 27. "Transportation revenue control limit" means the transportation
22 revenue control limit computed as prescribed in section 15-946.

23 28. "Transportation support level" means the support level for pupil
24 transportation operating expenses as provided in section 15-945.

25 29. "VI" means programs for pupils with visual impairments.

26 30. "Voc. Ed." means career and technical education and vocational
27 education programs, as defined in section 15-781.

28 Sec. 3. Section 15-2002, Arizona Revised Statutes, is amended to read:

29 15-2002. Powers and duties; executive director; staffing;
30 report

31 A. The school facilities board shall:

32 1. Make assessments of school facilities and equipment deficiencies
33 and approve the distribution of grants as appropriate.

34 2. Develop a database for administering the building renewal formula
35 prescribed in section 15-2031 and administer the distribution of monies to
36 school districts for building renewal.

37 3. Inspect school buildings at least once every five years to ensure
38 compliance with the building adequacy standards prescribed in section 15-2011
39 and routine preventative maintenance guidelines as prescribed in this section
40 with respect to construction of new buildings and maintenance of existing
41 buildings. The school facilities board shall randomly select twenty school
42 districts every thirty months and inspect them pursuant to this paragraph.

43 4. Review and approve student population projections submitted by
44 school districts to determine to what extent school districts are entitled to
45 monies to construct new facilities pursuant to section 15-2041. The board

1 shall make a final determination within six months of the receipt of an
2 application by a school district for monies from the new school facilities
3 fund.

4 5. Certify that plans for new school facilities meet the building
5 adequacy standards prescribed in section 15-2011.

6 6. Develop prototypical elementary and high school designs. The board
7 shall review the design differences between the schools with the highest
8 academic productivity scores and the schools with the lowest academic
9 productivity scores. The board shall also review the results of a valid and
10 reliable survey of parent quality rating in the highest performing schools
11 and the lowest performing schools in this state. The survey of parent
12 quality rating shall be administered by the department of education. The
13 board shall consider the design elements of the schools with the highest
14 academic productivity scores and parent quality ratings in the development of
15 elementary and high school designs. The board shall develop separate school
16 designs for elementary, middle and high schools with varying pupil
17 capacities.

18 7. Develop application forms, reporting forms and procedures to carry
19 out the requirements of this article.

20 8. Review and approve or reject requests submitted by school districts
21 to take actions pursuant to section 15-341, subsection ~~F~~ G.

22 9. Submit an annual report by December 15 to the speaker of the house
23 of representatives, the president of the senate, the superintendent of public
24 instruction, the director of the Arizona state library, archives and public
25 records and the governor that includes the following information:

26 (a) A detailed description of the amount of monies distributed by the
27 school facilities board in the previous fiscal year.

28 (b) A list of each capital project that received monies from the
29 school facilities board during the previous fiscal year, a brief description
30 of each project that was funded and a summary of the board's reasons for the
31 distribution of monies for the project.

32 (c) A summary of the findings and conclusions of the building
33 maintenance inspections conducted pursuant to this article during the
34 previous fiscal year.

35 (d) A summary of the findings of common design elements and
36 characteristics of the highest performing schools and the lowest performing
37 schools based on academic productivity including the results of the parent
38 quality rating survey. For the purposes of this subdivision, "academic
39 productivity" means academic year advancement per calendar year as measured
40 with student-level data using the statewide nationally standardized
41 norm-referenced achievement test.

42 10. By December 1 of each year, report to the joint committee on
43 capital review the amounts necessary to fulfill the requirements of sections
44 15-2022, 15-2031 and 15-2041 for the following fiscal year and the estimated
45 amounts necessary to fulfill the requirements of sections 15-2022, 15-2031

1 and 15-2041 for the fiscal year following the next fiscal year. The board
2 shall provide copies of the report to the president of the senate, the
3 speaker of the house of representatives and the governor.

4 11. Adopt minimum school facility adequacy guidelines to provide the
5 minimum quality and quantity of school buildings and the facilities and
6 equipment necessary and appropriate to enable pupils to achieve the
7 educational goals of the Arizona state schools for the deaf and the blind.
8 The school facilities board shall establish minimum school facility adequacy
9 guidelines applicable to the Arizona state schools for the deaf and the
10 blind.

11 12. In each even-numbered year, report to the joint committee on
12 capital review the amounts necessary to fulfill the requirements of sections
13 15-2031 and 15-2041 for the Arizona state schools for the deaf and the blind
14 for the following two fiscal years. The Arizona state schools for the deaf
15 and the blind shall incorporate the findings of the report in any request for
16 building renewal monies and new school facilities monies. Any monies
17 provided to the Arizona state schools for the deaf and the blind for building
18 renewal and for new school facilities are subject to legislative
19 appropriation.

20 13. By June 15 of each year, submit detailed information regarding
21 demographic assumptions, a proposed construction schedule and new school
22 construction cost estimates for individual projects approved in the current
23 fiscal year and expected project approvals for the upcoming fiscal year to
24 the joint committee on capital review for its review. A copy of the report
25 shall also be submitted to the governor's office of strategic planning and
26 budgeting. The joint legislative budget committee staff, the governor's
27 office of strategic planning and budgeting staff and the school facilities
28 board staff shall agree on the format of the report.

29 14. Every two years, provide school districts with information on
30 improving and maintaining the indoor environmental quality in school
31 buildings.

32 B. The school facilities board may contract for private services in
33 compliance with the procurement practices prescribed in title 41, chapter 23.

34 C. The governor shall appoint an executive director of the school
35 facilities board pursuant to section 38-211. The executive director is
36 eligible to receive compensation as determined pursuant to section 38-611 and
37 may hire and fire necessary staff as approved by the legislature in the
38 budget. The executive director shall have demonstrated competency in school
39 finance, facilities design or facilities management, either in private
40 business or government service. The executive director serves at the
41 pleasure of the governor. The staff of the school facilities board is exempt
42 from title 41, chapter 4, articles 5 and 6. The executive director:

43 1. Shall analyze applications for monies submitted to the board by
44 school districts.

1 2. Shall assist the board in developing forms and procedures for the
2 distribution and review of applications and the distribution of monies to
3 school districts.

4 3. May review or audit, or both, the expenditure of monies by a school
5 district for deficiencies corrections, building renewal and new school
6 facilities.

7 4. Shall assist the board in the preparation of the board's annual
8 report.

9 5. Shall research and provide reports on issues of general interest to
10 the board.

11 6. May aid school districts in the development of reasonable and
12 cost-effective school designs in order to avoid statewide duplicated efforts
13 and unwarranted expenditures in the area of school design.

14 7. May assist school districts in facilitating the development of
15 multijurisdictional facilities.

16 8. Shall assist the board in any other appropriate matter or method as
17 directed by the members of the board.

18 9. Shall establish procedures to ensure compliance with the notice and
19 hearing requirements prescribed in section 15-905. The notice and hearing
20 procedures adopted by the board shall include the requirement, with respect
21 to the board's consideration of any application filed after July 1, 2001 or
22 after December 31 of the year in which the property becomes territory in the
23 vicinity of a military airport or ancillary military facility as defined in
24 section 28-8461 for monies to fund the construction of new school facilities
25 proposed to be located in territory in the vicinity of a military airport or
26 ancillary military facility, that the military airport receive notification
27 of the application by first class mail at least thirty days before any
28 hearing concerning the application.

29 10. May expedite any request for monies in which the local match was
30 not obtained for a project that received preliminary approval by the state
31 board for school capital facilities.

32 11. Shall expedite any request for monies in which the school district
33 governing board submits an application that shows an immediate need for a new
34 school facility.

35 12. Shall make a determination as to administrative completion within
36 one month after the receipt of an application by a school district for monies
37 from the new school facilities fund.

38 13. Shall provide technical support to school districts as requested by
39 school districts in connection with the construction of new school facilities
40 and the maintenance of existing school facilities.

41 D. When appropriate, the school facilities board shall review and use
42 the statewide school facilities inventory and needs assessment conducted by
43 the joint committee on capital review and issued in July, 1995.

44 E. The school facilities board shall contract with one or more private
45 building inspectors to complete an initial assessment of school facilities

1 and equipment and shall inspect each school building in this state at least
2 once every five years to ensure compliance with section 15-2011. A copy of
3 the inspection report, together with any recommendations for building
4 maintenance, shall be provided to the school facilities board and the
5 governing board of the school district.

6 F. The school facilities board may consider appropriate combinations
7 of facilities or uses in making assessments of and curing deficiencies
8 pursuant to subsection A, paragraph 1 of this section and in certifying plans
9 for new school facilities pursuant to subsection A, paragraph 5 of this
10 section.

11 G. The board shall not award any monies to fund new facilities that
12 are financed by class A bonds that are issued by the school district.

13 H. The board shall not distribute monies to a school district for
14 replacement or repair of facilities if the costs associated with the
15 replacement or repair are covered by insurance or a performance or payment
16 bond.

17 I. The board may contract for construction services and materials that
18 are necessary to correct existing deficiencies in school district facilities.
19 The board may procure the construction services necessary pursuant to this
20 subsection by any method including construction-manager-at-risk,
21 design-build, design-bid-build or job-order-contracting as provided by title
22 41, chapter 23. The construction planning and services performed pursuant to
23 this subsection are exempt from section 41-791.01.

24 J. The school facilities board may enter into agreements with school
25 districts to allow school facilities board staff and contractors access to
26 school property for the purposes of performing the construction services
27 necessary pursuant to subsection I of this section.

28 K. Each school district shall develop routine preventative maintenance
29 guidelines for its facilities. The guidelines shall be submitted to the
30 school facilities board for review and approval. If upon inspection by the
31 school facilities board it is determined that a school district facility was
32 inadequately maintained pursuant to the school district's routine
33 preventative maintenance guidelines, the school district shall use building
34 renewal monies pursuant to section 15-2031, subsection L to return the
35 building to compliance with the school district's routine preventative
36 maintenance guidelines. Once the district is in compliance, it no longer is
37 required to use building renewal monies for preventative maintenance.

38 L. The school facilities board may temporarily transfer monies between
39 the capital reserve fund established by section 15-2003, the emergency
40 deficiencies correction fund established by section 15-2022, the building
41 renewal fund established by section 15-2031 and the new school facilities
42 fund established by section 15-2041 if all of the following conditions are
43 met:

44 1. The transfer is necessary to avoid a temporary shortfall in the
45 fund into which the monies are transferred.

1 2. The transferred monies are restored to the fund where the monies
2 originated as soon as practicable after the temporary shortfall in the other
3 fund has been addressed.

4 3. The school facilities board reports to the joint committee on
5 capital review the amount of and the reason for any monies transferred.

6 M. THE SCHOOL FACILITIES BOARD SHALL NOT REQUIRE A COMMON SCHOOL
7 DISTRICT THAT PROVIDES INSTRUCTION TO PUPILS IN GRADE NINE TO OBTAIN APPROVAL
8 FROM THE SCHOOL FACILITIES BOARD TO RECONFIGURE SCHOOL FACILITIES IN THE
9 SCHOOL DISTRICT. A COMMON SCHOOL DISTRICT THAT PROVIDES INSTRUCTION TO
10 PUPILS IN GRADE NINE IS NOT ENTITLED TO ADDITIONAL MONIES FROM THE SCHOOL
11 FACILITIES BOARD FOR FACILITIES TO EDUCATE PUPILS IN GRADE NINE.